

Honolulu, Hawaii

April 4, 2014

RE: S.B. No. 2250  
S.D. 2  
H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Seventh State Legislature  
Regular Session of 2014  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 2250, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CHARITABLE SOLICITATION,"

begs leave to report as follows:

The purpose of this measure is to amend state law regarding the solicitation of contributions from the public by:

- (1) Requiring certain disclosures on collection boxes that are owned and operated by a charitable organization exempt from income tax under section 501(c)(3) of the Internal Revenue Code (IRC), a professional solicitor, or a for-profit organization that is not a professional solicitor or an organization that is not a charitable organization exempt from income tax under section 501(c)(3) of the IRC;
- (2) Clarifying registration requirements for Hawaii public benefit corporations and charitable organizations not exempted by section 467B-11.5, Hawaii Revised Statutes (HRS);
- (3) Authorizing the Attorney General to require electronic financial reporting by charitable organizations;



- (4) Imposing fines for the filing of late financial reports by professional solicitors;
- (5) Amending the time period in which a commercial co-venturer must provide a final accounting to a charitable organization;
- (6) Establishing penalties that the Attorney General may impose on commercial co-venturers for violations of Chapter 467B, HRS, relating to solicitation of funds from the public;
- (7) Amending the amount of the filing fee for reports submitted by charitable organizations to the Department of the Attorney General; and
- (8) Clarifying exemptions from registration requirements that apply to certain charitable organizations.

The Office of Consumer Protection of the Department of Commerce and Consumer Affairs supported this measure. The Department of the Attorney General commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2250, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committee on Finance,



SYLVIA LUKE, Chair



State of Hawaii  
House of Representatives  
The Twenty-seventh Legislature

HSCR 1630-14

**Record of Votes of the Committee on Finance**

<b>Bill/Resolution No.:</b> SB 2250, SD2, HD1	<b>Committee Referral:</b> CPC/JUD, FIN	<b>Date:</b> 4/3/2014		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <input checked="" type="checkbox"/> Pass, unamended (as is) <input type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
<b>FIN Members</b>	<b>Ayes</b>	<b>Ayes (WR)</b>	<b>Nays</b>	<b>Excused</b>
1. LUKE, Sylvia (C)	/			
2. NISHIMOTO, Scott Y. (VC)	/			
3. JOHANSON, Aaron Ling (VC)	/			
4. CULLEN, Ty J.K.	/			
5. HASHEM, Mark J.	/			
6. ING, Kaniela	/			
7. JORDAN, Jo	/			
8. KOBAYASHI, Bertrand	/			
9. LOWEN, Nicole E.	/			
10. MORIKAWA, Dee	/			
11. ONISHI, Richard H.K.	/			
12. TAKAYAMA, Gregg	/			
13. TOKIOKA, James Kunane	/			
14. WOODSON, Justin H.	/			
15. YAMASHITA, Kyle T.	/			
16. FUKUMOTO, Beth	/			
17. WARD, Gene	/			
<b>TOTAL (17)</b>	17			
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: 0.8em;">committee acronym(s)</div>				
<b>Vice Chair's or designee's signature:</b> _____ <div style="text-align: center; font-size: 0.8em;"> </div>				
<b>Distribution:</b> Original (White) – Committee      Duplicate (Yellow) – Chief Clerk's Office      Duplicate (Pink) – HMSO				